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LETTER DATED 17 JANUARY 2000 FROM THE PERMANENT REPRESENTATIVE OF IRAQ TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

On instructions from my Government, I have the honour to transmit to you herewith a letter dated 15 January 2000 from Mr. Taha Yasin Ramadan, Vice-President of the Republic of Iraq, concerning the hostile policies of the United States and the United Kingdom towards Iraq and the habitual manner in which they politicize the memorandum of understanding and the oil-for-food programme and transform the programme into a means of causing further damage to Iraq and its people.

I should be grateful if you would have the present letter and its annex circulated as a document of the Security Council.

(Signed) Saeed H. HASAN
Ambassador
Permanent Representative

00-24711 (E) 200100 200100

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Annex

Letter dated 15 January 2000 from the Vice-President of Iraq addressed to the Secretary-General

During the implementation of phases I to VI under the memorandum of understanding concluded by Iraq and the United Nations Secretariat on 20 May 1996, the Government of the Republic of Iraq has been careful to comply with the provisions of the memorandum as a temporary and exceptional measure. It has cooperated fully with the relevant United Nations agencies in exploring and discussing the requirements of the sectors covered by the procurement and distribution plans with a view to securing the items in question within the period of time designated for each phase so as to meet some of the basic needs of the people of Iraq. A review of the manner in which the six phases have been implemented shows that some parties in the Security Council, specifically the United States of America and the United Kingdom, have been trying to raise all manner of obstacles to the processing of numerous contracts in each of the phases and have been doing so for dubious political purposes with the objective of politicizing the memorandum of understanding, a measure that was originally designed to meet some of the humanitarian needs of the Iraqi people. The representatives of the United States and the United Kingdom in the Security Council Committee established by resolution 661 (1990) have placed on hold many contracts submitted in different time periods. The status of contracts as of 21 December 1999 indicates that 813 phase III, IV, V and VI contracts are on hold and that they have a total value of 1,180 million dollars. This is despite the fact that the relevant Iraqi authorities responded immediately to all the questions, customary or contrived, that had been raised by the Committee. In placing the contracts on hold, the United States and British representatives used arguments that have no legal or technical foundation. Indeed, they always proceed on the basis of tendentious political considerations that are incompatible with the letter and spirit of the memorandum of understanding. The Americans and British also seek to impede the supply of essential spare parts to the Iraqi oil sector, and this has reduced its capacity to produce and export. This hostile attitude has also led to a shortage of the funds necessary to pay for the requirements of all the other sectors covered by the procurement and distribution plan and consequently to an inability to meet obligations required to secure even a small part of our people's needs.

In its many letters addressed to the Secretariat and the Security Council, the Government of Iraq has called attention to this unlawful conduct on the part of the United States and the United Kingdom. Regrettably, there does not appear to be any prospect for a serious endeavour on the part of the Security Council or the Secretariat to put a halt to such behaviour. Indeed, we have noted that some of those in the Office of the Iraq Programme attempt from time to time to make contrived excuses for such conduct in their fear of the power and influence the United States wields in the Organization.

The trivial reasons given by the United States and its creature the United Kingdom as pretexts for placing contracts on hold can for the most part be reduced to the claim that information is missing from contracts and the unsubstantiated allegation that certain items are of dual use. Such claims and

allegations are groundless, and they amount to interference in the functions of the Secretariat and the Office of the Iraq Programme. The procedures adopted by the Committee for the implementation of the programme (S/1996/636, annex) state that, before its submission to the Committee, "experts in the Secretariat examine each contract, in particular the details of price and value, and whether the items to be exported are on the categorized list" submitted by Iraq and approved by the Secretary-General (para. 34 [i.e. 33]). It is clear from the foregoing that the responsibility for ascertaining that the contracts submitted meet the conditions set forth in the Committee's procedures and conform with the distribution plan rests with the Secretary-General and the Secretariat. The representatives of the United States and the United Kingdom, however, choose to ignore the distribution plan approved by the Secretary-General of the United Nations.

Thus the conduct of the American and British representatives in the Committee lacks any legal or technical basis, and they have placed on hold contracts that extend over the phases we have indicated and are worth some 1,180 million dollars. This indicates in a manner that leaves no room for doubt that Washington and London are proceeding on the basis of hostile and incoherent political considerations against the people of Iraq and are striving for a goal they have no power to achieve, no matter how much brute strength they may possess, and that is to undermine the resistance and staying power of the people of Iraq and its insistence that the unjust embargo imposed on our homeland be reversed.

The hostile political considerations that govern overall United States and British policy towards Iraq are well known to all. The two aggressor States do not conceal them, and indeed they have been maintaining their military aggression against our people on a daily basis ever since 1991 by means of the no-flight zones imposed in northern and southern Iraq by the unilateral and unlawful decision of the two Governments and in flagrant violation of the Charter of the United Nations and international law.

The processing of the contracts submitted to the Committee through its secretariat by the various sectors covered by the procurement and distribution plan takes a long time, and especially so the approval stage. The delay in the approval of contracts can be 6 to 12 months or more. In phase IV, 988 contracts were submitted to the secretariat of the Committee and the Committee approved 690 of them; in phase V, 1,248 contracts were submitted to the secretariat of the Committee and the Committee approved 934 of them; and in phase VI, 1,439 contracts had been submitted to the secretariat of the Committee as of 10 January 2000, and the Committee had approved 656 of them. These include contracts for the food and medicine sectors and for other humanitarian supplies. In the case of the oil sector: 574 contracts were submitted to the Committee in phase IV and the Committee approved 452 of them; in phase V, 636 contracts were submitted and the Committee approved only 346 of them; and in phase VI, 759 contracts have been submitted and only 92 have been approved.

I should like to refer to the fact that on 29 November 1999 the representative of the United States placed on hold a Ministry of Agriculture contract with a French company for the importation of 15 live bulls for purposes of insemination and the improvement of livestock quality on the pretext that

bulls have dual-use potential. This is a glaring example and is to be regarded as reflecting contempt on the part of the representative of the United States for the functions of the Secretariat, the procedures of the Committee and resolution 1051 (1996) concerning the dual-use categories.

The Government of Iraq brings to your attention all of these irrefutable facts. They demonstrate that the programme has not and cannot succeed in eliminating the great human suffering that has been borne by the people of Iraq for nearly 10 years and that the parties in the Security Council hostile to Iraq are seeking to transform the programme from, despite its modesty and lack of significance, a means of alleviating the suffering of our people, as they have claimed, into a means of harming us and exerting pressure on us so as to advance their malicious political objectives and cause further damage to our people and our homeland.

The attached tables (see enclosure) show the number and value of the contracts submitted to the secretariat of the Committee, approved by the Committee and placed on hold by the representatives of the United States and the United Kingdom in phases III, IV, V and VI.

(Signed) Taha Yasin RAMADAN
Vice-President of the Republic of Iraq

Enclosure

Status of contracts under the memorandum of understanding as of 10 January 2000

1. Phase IV (general contracts)

Contracts submitted to the Committee secretariat	988	$1 621 392 435
Contracts approved by the Committee	695	$1 576 241 154
Contracts on hold	22	$36 614 843

2. Phase IV (oil contracts)

Contracts submitted to the Committee secretariat	574	$299 681 396
Contracts approved by the Committee	452	$249 733 942
Contracts on hold	87	$47 692 493

3. Phase V (general contracts)

Contracts submitted to the Committee secretariat	1 248	$2 162 112 301
Contracts approved by the Committee	934	$1 562 286 071
Contracts on hold	168	$488 390 499

4. Phase V (oil contracts)

Contracts submitted to the Committee secretariat	636	$333 980 137
Contracts approved by the Committee	346	$157 780 942
Contracts on hold	209	$111 963 697

5. Phase VI (general contracts)

Contracts submitted to the Committee secretariat	1 439	$3 018 984 388
Contracts approved by the Committee	656	$1 326 167 902
Contracts on hold	255	$568 205 782

6. Phase VI (oil contracts)

Contracts submitted to the Committee secretariat	759	$603 897 061
Contracts approved by the Committee	92	$173 185 709
Contracts on hold	134	$47 808 811

Phase V

Sector	Contracts on hold	Value of contracts
Agriculture	6	$5 163 796
Education	10	$6 921 633
Electricity	63	$217 437 679
Food	5	$2 075 500
Food-related supplies	15	$41 448 068
Medicine	50	$84 125 463
Communications	6	$93 105 194
Water and sanitation	22	$62 349 941
Total	177	$512 627 273

Phase V: Oil

Sector	Contracts on hold	Total value
Oil	210	$117 297 369.10

Phase VI

Sector	Contracts on hold	Value of contracts
Agriculture	50	$79 518 683
Education	18	$10 313 151
Electricity	64	$190 649 197
Food	3	$969 600
Food-related supplies	30	$71 627 392
Medicine	31	$39 521 694
Communications	13	$13 203 803
Water and sanitation	10	$30 462 272
Total	219	$436 265 790

Phase VI: Oil

Sector	Contracts on hold	Total value
Oil	80	$22 381 555.81

Status of contracts on hold as of 21 December 1999

Phase III

Sector	Contracts on hold	Value
Education	2	$1 015 000
Electricity	3	$3 664 255
Food	3	$2 913 750
Medicine	5	$1 931 043
Water and sanitation	2	$421 422
Total	15	$9 945 470

Phase IV

Sector	Contracts on hold	Value
Education	4	$2 181 000.00
Electricity	4	$1 625 095.00
Food	2	$624 500.00
Food-related supplies	2	$15 132 460.15
Medicine	7	$5 182 225.29
Water and sanitation	4	$11 903 012.80
Total	23	$36 648 293.24

Phase IV: Oil

Sector	Contracts on hold	Total value
Oil	89	$48 512 285.07